

Five Year Carry Forward

Neighborhood Assistance Tax Credits that exceed the donor's total Virginia State tax liability may be carried forward for up to five years.

The tax credit for the current year is utilized first prior to using the credit that has been carried forward from a preceding taxable year.

Example:

2007		2008		2009		2010		2011		2012	
Donation	\$5,000	Donation	\$5,000	Donation	\$5,000	Donation	\$5,000	Donation	\$5,000	Donation	\$5,000
NAP Credit	\$2,000	NAP Credit	\$2,000	NAP Credit	\$2,000	NAP Credit	\$2,000	NAP Credit	\$2,000	NAP Credit	\$2,000
Tax Liability	\$1,600	Tax Liability	\$2,000	Tax Liability	\$2,000	Tax Liability	\$2,100	Tax Liability	\$2,200	Tax Liability	\$2,000
Carry Forward	\$400	Adjusted Tax Liability	\$0	Adjusted Tax Liability	\$0	Adjusted Tax Liability	\$100	Adjusted Tax Liability	\$200	Adjusted Tax Liability	\$0
		Carry Forward	\$400	Carry Forward	\$400	Carry Forward	\$300	Carry Forward	\$100	Lost NAP Credits	\$100